

News Release

Embargoed until 0600 UTC 03 April 2025

S&P Global Russia Services PMI®

Russian service sector output nears stagnation in March

Key findings

Broadly unchanged activity levels as new order growth slows

Fastest drop in employment for over two years

Selling prices rise at weakest rate since January 2021

The Russian service sector lost further momentum in March, according to the latest PMI® survey from S&P Global, as business activity neared stagnation. Output levels were little changed on the month amid softer new order growth. Data showed a shift in firms' employment decisions, as workforce numbers fell for the first time in 20 months despite another monthly rise in backlogs of work. Nonetheless, business confidence was historically elevated and the strongest since May 2024.

Meanwhile, the rate of input cost inflation quickened but remained subdued in the context of the series history. In an effort to boost new sales, service providers moderated the pace of charge inflation again.

The seasonally adjusted S&P Global Russia Services PMI Business Activity Index registered 50.1 at the end of the first quarter, down slightly from 50.5 in February. The latest data indicated broadly unchanged levels of output at service providers, following an eight-month sequence of expansion. The near stagnation in activity reflected reports from some panellists of more muted demand conditions.

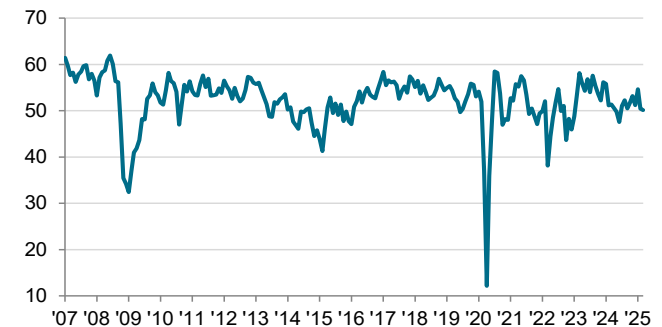
New business continued to increase across the Russian service sector in March, but the rate of expansion slowed for the second month running to the weakest since last July. The latest upturn in new sales was historically subdued amid some reports of reduced purchasing power at customers.

The loss of momentum spurred a fresh round of job cuts at Russian service providers in March. The decrease in staffing levels was the first since July 2023 and the sharpest in just over two years, despite being only marginal overall. Anecdotal evidence attributed the decline to the non-replacement of voluntary leavers.

Backlogs of work at service sector companies grew for the fifth month running in March. The pace of accumulation slowed to the weakest in three months, but firms noted challenges clearing incoming work following previous solid

S&P Global Russia Services Business Activity Index

sa, >50 = growth since previous month



Source: S&P Global PMI.

Data were collected 12-27 March 2025.

increases in new orders.

Although the pace of input price inflation ticked higher in March, it was the second-slowest since July 2020. Where higher costs were reported, firms attributed this to greater wage bills and increased supplier and logistics prices.

At the same time, output charges rose at the softest pace since January 2021. Selling prices were reportedly increased amid the pass-through of higher costs to customers, but moderations in input price hikes and incidences of firms discounting to remain competitive weighed on the overall rate of inflation in output charges.

Finally, Russian service providers were more upbeat in their expectations for output over the coming year in March. The degree of confidence was the strongest since last May and above the series average. Underpinning positive sentiment were plans for the expansion of service lines and hopes of an improvement in demand conditions.

PMI®

by S&P Global

S&P Global Russia Composite PMI®

Renewed contraction in private sector business activity in March

At 49.1 in March, the S&P Global Russia Composite PMI Output Index* was down from 50.4 in February and signalled a fresh decline in business activity among private sector firms. The fall was only marginal but was the sharpest since December 2022, amid a drop in manufacturing output and broadly unchanged services activity.

Although service sector new business continued to rise, the slight expansion was outweighed by a solid contraction in manufacturing new sales in March.

Meanwhile, private sector employment fell, despite a further rise in manufacturing headcounts, as service providers recorded the sharpest drop in staffing levels since the opening month of 2023.

Softer inflationary pressures were evident in March, as input costs and output charges increased at slower rates. Moreover, overall input prices rose at the weakest rate since June 2020 as more favourable exchange rate movements reportedly moderated hikes in imported goods prices.

*Composite PMI indices are weighted averages of comparable manufacturing and services PMI indices. Weights reflect the relative size of the manufacturing and service sectors according to official GDP data.

Survey methodology

The S&P Global Russia Services PMI® is compiled by S&P Global from responses to questionnaires sent to a panel of around 250 service sector companies. The sectors covered include consumer (excluding retail), transport, information, communication, finance, insurance, real estate and business services. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. Data collection began in October 2001.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Services Business Activity Index. This is a diffusion index calculated from a question that asks for changes in the volume of business activity compared with one month previously. The Services Business Activity Index is comparable to the Manufacturing Output Index. It may be referred to as the 'Services PMI' but is not comparable with the headline manufacturing PMI figure.

The Composite Output Index is a weighted average of the Manufacturing Output Index and the Services Business Activity Index. The weights reflect the relative size of the manufacturing and service sectors according to official GDP data. The Composite Output Index may be referred to as the 'Composite PMI' but is not comparable with the headline manufacturing PMI figure.

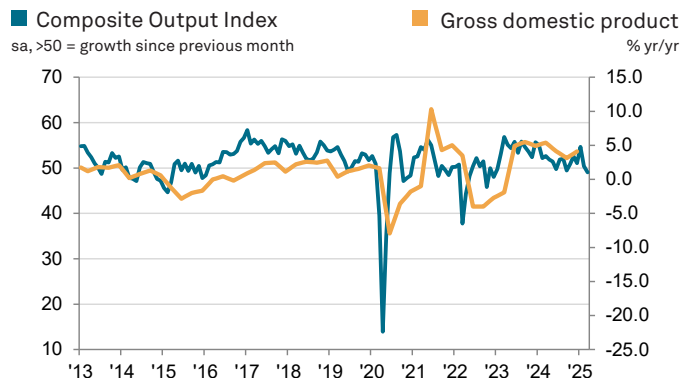
Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the PMI survey methodology, please contact economics@spglobal.com.

Disclaimer

The intellectual property rights to the data provided herein are owned by or licensed to S&P Global and/or its affiliates. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without S&P Global's prior consent. S&P Global shall not have any liability, duty or obligation for or relating to the content or information ("Data") contained herein, any errors, inaccuracies, omissions or delays in the Data, or for any actions taken in reliance thereon. In no event shall S&P Global be liable for any special, incidental, or consequential damages, arising out of the use of the Data. Purchasing Managers' Index™ and PMI® are either trade marks or registered trade marks of S&P Global Inc or licensed to S&P Global Inc and/or its affiliates.

This Content was published by S&P Global Market Intelligence and not by S&P Global Ratings, which is a separately managed division of S&P Global. Reproduction of any information, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content.



Sources: S&P Global PMI, FSSS via S&P Global Market Intelligence.

Contact

Corporate Communications
S&P Global Market Intelligence
press.mi@spglobal.com

If you prefer not to receive news releases from S&P Global, please email press.mi@spglobal.com. To read our privacy policy, click [here](#)

About S&P Global

S&P Global (NYSE:SPGI) S&P Global provides essential intelligence. We enable governments, businesses and individuals with the right data, expertise and connected technology so that they can make decisions with conviction. From helping our customers assess new investments to guiding them through ESG and energy transition across supply chains, we unlock new opportunities, solve challenges and accelerate progress for the world.

We are widely sought after by many of the world's leading organizations to provide credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help the world's leading organizations plan for tomorrow, today.

About PMI

Purchasing Managers' Index™ (PMI®) surveys are now available for over 40 countries and also for key regions including the eurozone. They are the most closely watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends. www.spglobal.com/marketintelligence/en/mi/products/pmi